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**BAUCUS COMMENTS ON CBO STUDY OF HEALTH CARE COSTS,  
SAYS FINANCE PANEL WILL EXAMINE REMEDIES IN 2008**

*Congressional agency finds Medicare, Medicaid costs will grow faster than predicted*

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) commented today on a new Congressional Budget Office study of long-term health care costs in the U.S. The report, “The Long-Term Outlook for Health Care Spending,” is available at [www.cbo.gov](http://www.cbo.gov). It projects that health care costs could comprise half of the U.S. economy by 2082. It says the growth of costs for Medicare will be significantly larger than the high rates already assumed by Medicare trustees, as the long-run growth rates of Medicaid and private-sector health care costs similarly continue to skyrocket. The Finance Committee has jurisdiction over the Medicare and Medicaid programs. Baucus said today that he is planning an extensive series of 2008 hearings in the Committee on health care costs and reform.

**“Rising health care costs are clearly at the root of our country’s long-range budget problems. Responsible spending choices for Medicare and Medicaid are vital, but it’s clear that we’ll lick this country’s future fiscal difficulties only by addressing the reasons for rising health care costs in the first place,”** said Baucus. **“Slashing Medicare and Medicaid reimbursement rates, coverage, or enrollment will only respond to the symptom of rising spending. Finding ways to make the health care system more efficient and cost-effective will reduce costs for all health care users, public and private, and that will pave the way toward getting Federal spending truly under control. The Finance Committee will dedicate a great amount of time next year toward finding real solutions.”**

Baucus expects to announce his 2008 health care hearing schedule in January.

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